

BISMARCK CITY EMPLOYEE PENSION PLAN

State Investment Board Balance Sheet As of 6/30/2006

	As of <u>6-30-06</u>	As of <u>6-30-05</u>
ASSETS:		
INVESTMENTS (AT MARKET)		
DOMESTIC EQUITIES	\$ 13,859,792	\$ 18,404,664
INTERNATIONAL EQUITIES	5,479,421	1,840,882
DOMESTIC FIXED INCOME	15,598,163	17,204,990
INTERNATIONAL FIXED INCOME	4,155,196	758,920
REAL ESTATE	4,385,338	1,189,978
VENTURE CAPITAL	327,418	371,022
INVESTED CASH (NOTE 1)	<u>140,193</u>	<u>497,608</u>
 TOTAL INVESTMENTS	 43,945,521	 40,268,064
 RECEIVABLES		
DIVIDEND/INTEREST RECEIVABLE	102,357	64,198
 OTHER ASSETS		
INVESTED SECURITIES LENDING COLLATERAL (NOTE 2)	<u>4,457,228</u>	<u>4,083,485</u>
 TOTAL ASSETS	 <u>\$ 48,505,106</u>	 <u>\$ 44,415,747</u>
 LIABILITIES:		
ACCOUNTS PAYABLE	44,926	26,825
SECURITIES LENDING COLLATERAL (NOTE 2)	<u>4,457,228</u>	<u>4,083,485</u>
 TOTAL LIABILITIES	 4,502,154	 4,110,310
 NET ASSETS AVAILABLE:		
NET ASSETS AVAILABLE BEGIN OF YEAR	40,305,437	26,354,623
CASH IN DURING YEAR (NOTE 3)	0	10,071,655
CASH OUT DURING YEAR (NOTE 4)	0	0
NET INCREASE (DECREASE)	<u>3,697,515</u>	<u>3,879,159</u>
 NET ASSETS AVAILABLE END OF PERIOD	 <u>44,002,952</u>	 <u>40,305,437</u>
 TOTAL LIABILITIES & NET ASSETS AVAILABLE	 <u>\$ 48,505,106</u>	 <u>\$ 44,415,747</u>

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State Investment Board Profit and Loss Statement For the Month Ended 6/30/2006

	Month Ended <u>6-30-06</u>	<u>Year-to-Date</u>
INVESTMENT INCOME		
INTEREST/DIVIDEND INCOME	\$ 195,228	\$ 1,110,258
SECURITIES LENDING INCOME	18,458	171,576
	<u>213,686</u>	<u>1,281,834</u>
 GAIN ON SALE OF INVESTMENTS	 622,432	 6,491,551
LOSS ON SALE OF INVESTMENTS	<u>281,754</u>	<u>2,414,908</u>
 NET GAINS (LOSSES) INVESTMENTS	 340,678	 4,076,643
 INVESTMENT EXPENSES	 101,351	 437,255
SECURITIES LENDING EXPENSES	<u>17,439</u>	<u>164,289</u>
 NET INVESTMENT INCOME	 435,574	 4,756,933
 NET APPREC (DEPREC) MARKET VALUE	 (519,630)	 (1,003,356)
MISCELLANEOUS INCOME/(EXPENSE)	<u>(10,205)</u>	<u>(56,062)</u>
 TOTAL INVESTMENT INCOME	 <u>(94,261)</u>	 <u>3,697,515</u>
 NET INCREASE (DECREASE)	 <u>\$ (94,261)</u>	 <u>\$ 3,697,515</u>

BISMARCK CITY EMPLOYEE PENSION PLAN
Notes To Financial Statements
June 30, 2006

The following notes to financial statements are intended to provide general descriptions of line items in the financial statements.

NOTE 1 INVESTED CASH

Cash invested in the short-term investment fund (STIF/STEP) at The Northern Trust Company.

NOTE 2 SECURITIES LENDING COLLATERAL

Securities are loaned versus collateral that may include cash, U.S. government securities and irrevocable letters of credit. U.S. securities are loaned versus collateral valued at 102% of the market value of the securities plus any interest. Non-U.S. securities are loaned versus collateral valued at 105% of the market value of the securities plus any accrued interest. Non-cash collateral cannot be pledged or sold unless the borrower defaults. Cash open collateral is invested in a short term investment pool.

NOTE 3 CASH IN DURING YEAR

Cash transferred into investment accounts at The Northern Trust Company during the current fiscal year.

NOTE 4 CASH OUT DURING YEAR

Cash transferred out of investment accounts at The Northern Trust Company during the current fiscal year.